



THE POLITICS OF EDUCATION

by Joel S. Berke

The main hearing room of the House Education and Labor Committee in Washington—Rayburn 2175—has a 30-foot ceiling, a two-tiered mahogany rostrum seating 36 committee members, and gold carpet covering its auditorium-sized floor. But it is not so big that proceedings there cannot be dominated by Representative Carl Perkins (D-Ky.), with his quiet, slow voice, his whispered asides to his experienced staff, and his wisdom in the ways of Congress. When the committee convenes to deliberate on the fate of such laws as Title I of the Elementary and Secondary Education Act, school administrators, teachers, and politicians around the country pay close attention.

Title I, which is worth \$3 billion every year, is the largest single federal subsidy to education. The money is targeted at below-average pupils in high-poverty areas, and it is distributed among school districts via the states according to a complicated formula that purports to identify just where those disadvantaged children are. The formula is based primarily on “poverty counts” culled from 1970 Census data, and, as a result, “poor” Southern states get a relatively large piece of the Title I pie, while “rich” Northern and Midwestern states get less.

The formula is the key. Even modest tinkering with it can shift millions of dollars from one state to another. Thus, when the formula expired last year, Congressmen from the Midwest and North, regions slighted by the out-of-date figures, pinned their hopes on a new \$10 million report from the Census Bureau and the Department of Health, Education and Welfare. The study updated the 1970 census numbers and underlined the growing prosperity of the “New South” and Sunbelt regions, the declining economies of the industrial Northeast and Frostbelt. At the first opportunity, a group of committee members, led by Representative William Ford (D-Mich.), the second highest ranking member, successfully amended the formula in committee to utilize the updated figures. But Chairman Perkins, a firm friend of Title I, is an even firmer friend of his home district. With the

quiet support of the Carter administration, the chairman, backed by a coalition of like-minded Congressmen, reversed the initial vote, and retained the 10-year-old 1970 census as the principal basis for allocating Title I funds, thus keeping the old beneficiaries, including Kentucky, happy.

Leavening good educational intentions with hard-ball politics is not peculiar to Capitol Hill. Public education is big business everywhere and the stakes are high—for rural building contractors bidding on a new central school, for city school boards hoping to avoid teacher strikes, for entire states facing court orders to change the ways they have customarily paid for education. Local, state, and federal governments spent \$86 billion last year on public elementary and secondary schools. Only the armed forces consume more tax dollars; yet, with 3.9 million full-time employees on their payrolls—teachers, janitors, librarians, guidance counselors, administrators, secretaries—the public schools top even the military in manpower.

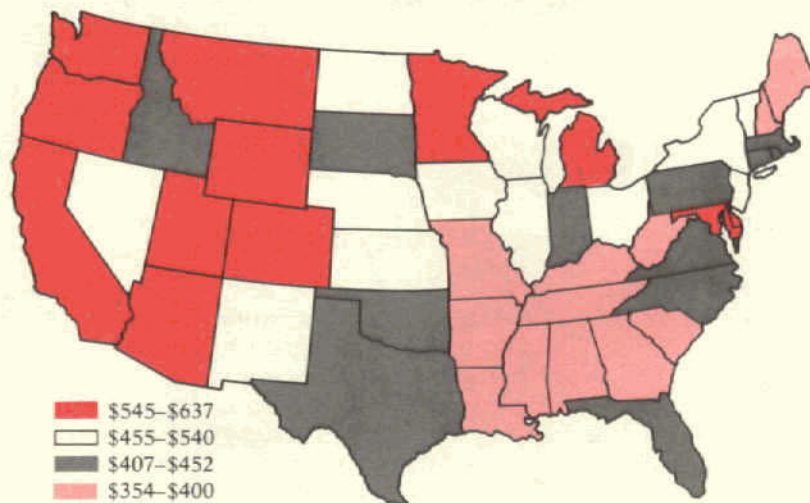
Who Calls the Shots?

If public education is big, it is not monolithic. No single group in American society pays for it, benefits from it, or controls it. No one unit of government has complete responsibility for it. The buck, so to speak, doesn't stop anywhere. As Rufus Miles, a Princeton professor and a former assistant secretary of HEW, has put it: "Where you stand depends on where you sit."

If you are one of the 100,000 Americans sitting on local boards of education, you probably feel put upon by outsiders of every stripe: Washington bureaucrats, state legislators, unhappy teachers, aggrieved parents, the courts. School boards, though no longer as powerful as they were in the late 19th century, are generally still responsible for hiring and firing of personnel, for putting a budget together, and—to the extent that they can avoid violating a variety of state or federal mandates—

Joel S. Berke, 43, is senior research scientist at the Education Policy Research Institute of the Educational Testing Service. Born in New York City, he received his B.A. from the University of Vermont (1956) and his M.A. (1962) and Ph.D. (1971) from Syracuse University. In 1977-78, he served as deputy assistant secretary of the U.S. Department of Health, Education and Welfare. He is the author of Federal Aid to Education: Who Benefits, Who Governs? (1971, with Michael Kirst) and Answers to Inequity: An Analysis of the New School Finance (1974). He is currently working on a book on the financing of urban education. Jonathan S. Mills, an assistant to Mr. Berke, helped in the preparation of this essay.

48 STATES' PER CAPITA SPENDING ON EDUCATION, 1976-77



Source: U.S. Department of Commerce, Bureau of the Census.

Spending, per capita, on each state's public schools varies significantly (not shown: Alaska, \$1,072; Hawaii, \$534). On average, these outlays represent about 5.5 percent of all total personal income in each state.

for setting the curriculum. The nation's 15,000 school boards and their jurisdictions come in all sizes. Chicago's 11-member board presides over the business of 500 schools, while South Dakota, until the late 1960s, had more school board members than teachers. (Hawaii is the only state that eschews local school boards and runs its entire educational system from a central office.)

Given the rate of turnover and the part-time nature of school-board membership, local school *administrators* usually turn out to be the powers behind the throne. School board meetings typically amount to approval of a set of proposals put together by the superintendent of schools and his professional staff. Moreover, by law, school boards exist entirely at the pleasure of the state.

Until recently, state education agencies were the lightweights of school politics, and with few exceptions simply comprised a confused assortment of "information-gathering" bureaus. Recently, however, state agencies have found them-

selves in the thick of controversy: notably over busing, graduation requirements, and school finances. The states serve as conduits of federal aid. And, in a dozen states, a new breed of vigorous state school chief has taken the helm—people like Gregory Anrig in Massachusetts and Wilson Riles in California. Reflecting these developments, and the growth of federal aid programs, between 1964 and 1976 the total personnel of education agencies in all 50 states grew from 11,000 to 22,000. (One-third, of them, however, are paid from the U.S. Treasury.)

Education Grab Bag

State education agencies do not have the field to themselves. Former U.S. Commissioner of Education Ernest Boyer has observed that education is increasingly perceived as “too important to be left to the educators.” Under pressure from parents and various “public-interest” lobbies, state legislators are increasingly taking certain educational matters into their own hands, imposing high school graduation requirements and statewide competency tests. Since the mid-1970s, they have generally taken a “What are we getting for our money?” attitude toward the schools.

And then there are the federal and state courts—the most publicized entrants in the educational policy game. Contending with 100-year-old state constitutions, mountains of statistical evidence, and the often conflicting testimony of dozens of expert witnesses, judges have had to hand down rulings on everything from school finance to desegregation. They have, in effect, taken on the “hot” issues that legislators prefer to avoid. They are not universally applauded.

Generally speaking, the federal government steps into the public education scene with programs to enforce civil rights and improve the education of minorities or the underprivileged. Except for “Impact Aid”—which was primarily designed to compensate local districts for the presence of children whose parents live on federal property (and hence may not pay local property taxes)—federal education money is targeted at carefully defined groups and purposes: handicapped, bilingual, or migrant children, for example.*

There are well over 100 aid programs administered by the

*Bilingual education is one of the fastest growing, and most controversial, federal programs. Launched by Congress in 1968 with a modest \$7.5 million, the effort to teach children in their “native” language instead of primarily or exclusively in English, now claims \$157 million from Washington alone; 20 states have set up their own bilingual programs. About 80 percent of the 320,000 children enrolled are of Hispanic origin.

U.S. Office of Education, and these represent less than half of all federal funds for education. The Department of Agriculture runs the school lunch and breakfast programs (for 29 million children). "Headstart" is administered by the Office of Human Development, which is part of HEW but not of the Office of Education (which is also part of HEW). Schools on Indian reservations are run by the Department of Interior. This grab bag is mirrored in Congress, where 28 committees and subcommittees, ranging from the Senate Committee on Alcohol and Drug Abuse to the House Judiciary Committee, have "oversight" over various educational activities.

Not surprisingly, then, education politics in Washington involves quiet alliances among bureaucrats (who want to expand their programs), their client constituencies (who want to keep their congressional funding), and interested politicians (who want to do both). As in the politics of agriculture, defense, or welfare, such "iron triangles" are often impervious to the influence of Presidents, cabinet secretaries, and congressional leaders—as Jimmy Carter recently found out.

Serrano and Beyond

Carter's campaign promise—winning him the support of the powerful teachers union, the National Education Association—was to bring all of the federal education programs together into a single, cabinet-level Department of Education. It was a noble scheme. Headstart, a program for poor children that the President had personally penciled into the proposed department, was the first to wriggle free after a well-organized campaign spearheaded by the Children's Defense Fund. The Fund argued that the program's autonomy was essential to its effectiveness. The school lunch program was the next to go. This time the campaign was led by the Senate Agriculture Committee, which indicated that it wanted the program left right where it was, thank you. By the time the dust had settled, the proposed Education Department looked just like the old Office of Education, which it was supposed to replace.

For an overall view of just how this complicated system of "governance" manages to function, it is best to look at a single issue that cuts across every level of education politics. One such issue is financing.

Currently, all levels of government help foot the U.S. education bill. On average, local governments shoulder about 44 percent of the burden, state governments 48 percent. The federal government covers the remaining 8 percent. Life does not oper-

THE FINANCES OF THREE SCHOOL DISTRICTS, 1977-78:

	Macon County, Ala.	Oakland, Calif.	Lower Merion, Pa.	
Per capita income	\$2,775	\$5,491	\$10,411	
School enrollment	4,800	53,221	8,472	
REVENUES (per pupil)				
All local taxes	\$51	\$1,243	\$2,280	
State government	610	726	153	
<i>Total federal aid</i>	(270)	(200)	(31)	
Impact aid	30	18	0	For areas with numerous federal employees; Macon has a large VA hospital
Elementary and Secondary Education Act	113	91	18	Primarily aid for low-income families
School lunch/milk	114	76	13	
Other federal aid	13	15	0	Includes "Headstart"
Miscellaneous	71	182	186	Interest, sale of school lunches, fees
Total (per pupil)	\$1,002	\$2,351	\$2,650	

Where a school's money comes from—and where it goes—is a matter of circumstance. Alabama's Macon County is a depressed rural area with no industry and little good farming. Industrial Oakland's system is steadily losing pupils to private schools; like Macon, it relies heavily on federal and state funds. Suburban Lower Merion, outside Philadelphia, foots most of

ate on averages, however, and neither do the states. In New Hampshire, local communities pay 85 percent of their school costs; the state provides less than 10 percent. In Hawaii, the proportions are reversed. Similarly, the federal bounty is unevenly distributed under more than 100 programs, with Sunbelt states generally doing better than the Frostbelt states.*

*Mississippi, New Mexico, Louisiana, Hawaii, and Arkansas all count on the federal government for more than 15 percent of their education budgets; New Jersey, Massachusetts, Wisconsin, New York, and Nevada, less than 5 percent. Most federal aid to education (in 1979) falls under the following programs: Title I, \$3.078 billion; handicapped, \$977 million; school assistance to federally affected areas (Impact Aid), \$816 million; Vocational and Adult Education, \$774 million; Emergency School Aid Act (desegregation), \$332 million.

FEDERAL, STATE, LOCAL CONTRIBUTIONS—AND OUTLAYS

EXPENSES (per pupil)	Macon County, Ala.	Oakland, Calif.	Lower Merion, Pa.	
Administration	\$71	\$137	\$83	Includes salaries, contractual services
Instruction	615	1,433	1,456	Salaries, textbooks, library
Attendance and health services	13	79	73	Includes salaries for nurses, social workers
Operation and maintenance	58	220	379	
Fixed charges	35	47	287	Pensions, insurance, rent
Pupil transportation	46	14	52	To and from school; also excursions
Construction	44	272	99	Oakland figure for 1977-78 abnormally high
Equipment (new)	15	18	117	
Miscellaneous	105	131	104	Debt interest, extra-curricular activities
Total (per pupil)	\$1,002	\$2,351	\$2,650	

Source: Bureau of the Census and National Center for Education Statistics, *Survey of Local Government Finances, Education*, F-33 (unpublished data).

the bill for its schools, spending about 15 percent more than Oakland. Partly because Oakland's system is so large (91 schools), much money goes for administration. Lower Merion students score above the national average on standardized tests; Oakland students score far below.

Despite such diversity, one basic trend is apparent: While the average federal share since 1967 has remained about constant at 8 percent, the average state share has grown by almost 8 percent, and the average local share has shrunk by the same amount.

Why? The primary reason is really one of equity. Ever since Elwood P. Cubberley's historic analysis, *School Funds and Their Apportionment* (1905), school administrators and politicians have known that heavy reliance on property taxes to pay for schools leads to gross disparities in school quality from one district to the next. When Cubberley looked at Connecticut's seven

poorest and seven wealthiest towns in 1905, he found that the rich communities taxed themselves at a rate of about \$2.75 per every \$1,000 of assessed property value; the rate in poorer communities was \$4.37. Yet, while poor districts taxed themselves more, they still generated 20 percent less revenue per pupil than the wealthy districts. The situation in that regard had not changed a whit by 1977. The poorest Connecticut towns had a tax rate twice as high as the richest towns, but they ended up generating \$500 less per pupil.

Similarly, in California, the difference between schools in Beverly Hills and Baldwin Park was more than just a half-hour ride on the freeway. In 1970, the parents of John Serrano, a pupil in one of California's poorer school districts, filed a class-action suit challenging the state's school financing system. A year later, the state supreme court, in *Serrano v. Priest*, ruled that the system, with its heavy reliance on local property taxes, had denied Johnny Serrano the equal protection of the laws. "Affluent districts," wrote Justice Raymond L. Sullivan for the court in a 6 to 1 decision, "can have their cake and eat it too: They can provide a high quality education . . . while paying lower taxes. Poor districts, by contrast, have no cake at all." Facing court orders, or hoping to forestall judicial intervention, nearly half of the 50 states have changed their school financing since *Serrano*.*

Do dollars really make a difference? The 1966 "Coleman Report" (*Equality of Educational Opportunity*) suggested that such "variables" as school facilities, type of curriculum, classroom size, and so on had far less relationship to how pupils performed than did students' socioeconomic characteristics—family background, poverty, race, parents' educational level. However, more recent studies suggest that school services do in fact have a strong positive relationship to learning, and that many of these services directly reflect a school district's spending.† Because exurban Princeton, New Jersey, has a two-to-one advantage in revenues over nearby Paterson, for example, it can hire 50 percent more teachers for the same number of students.

*Minnesota, Kansas, New Jersey, Connecticut, New York, Washington, West Virginia, and Colorado were ordered by courts to change their financing systems. Florida, Illinois, Texas, Arizona, Michigan, North Dakota, New Mexico, Iowa, Ohio, Maine, Wisconsin, Indiana, Utah, Montana, and South Carolina acted in the absence of legal decisions. The U.S. Supreme Court, in *Rodriguez v. San Antonio* (1973) declined by a vote of 5 to 4 to impose a nationwide ruling similar to *Serrano*.

† See for example: A. A. Sommers, and B. L. Wolfe, *Disaggregation and Analyzing Education Equity Issues: Methods and Results*, Philadelphia: Federal Reserve Bank of Philadelphia, 1975; and "Explosion of a Myth: Quantity of Schooling and Exposure to Instruction, Major Educational Vehicle" by D. E. Wiley and A. Harnischfeger, in *Education Researcher* (vol. 3, no. 4, 1974).

It wasn't only *Serrano* that nibbled away at California's reliance on property taxes to support the schools; it was also Proposition 13, the 1978 rollback of the state's property taxes to 1 percent of assessed value. In the spirit of Proposition 13, some states—Colorado, New Jersey, and Tennessee—have adopted "fiscal limitation" bills aimed not so much at curbing local property taxes as at putting a ceiling on state spending. Even as states shoulder more of the school burden, the growth in spending on schools is slowing down. In the 1960s, total expenditures on schools grew by an annual average rate of 10.6 percent across the nation; in the last three years, it has averaged only 7.4 percent. As the effects of fiscal limitations are felt, the growth may slow even more. And even as the size of the pot shrinks, the stakes get higher, the contending pressures become fiercer.

The Fight of the Century

Among the key forces here are the teachers—organized into the 1.8-million-member National Education Association and the smaller (520,000) but faster growing American Federation of Teachers. Trying to keep up with inflation, the two unions have stoutly resisted school boards' proposals to reduce teachers' perquisites or curb pay increases. The unions often can muster superior expertise. When a strike threatens, the union local can call in a negotiating team from headquarters as well as a public relations agent, a budget analyst, and contract specialists. All told, there were 176 teacher strikes in 1978–79, compared to 9 in 1964—a fair measure of the increase in teacher militancy.

The federal government also pushes up costs. In order to qualify for any federal subsidies, school districts have to meet accompanying requirements, such as those of the 1975 Aid to Handicapped Children Act. This act required that all states provide handicapped children with a "free and appropriate public education"—which meant not only ramps for wheelchairs but also special counseling and therapy. Full compliance will cost at least \$8 billion annually, with the federal government contributing only about 12 percent of that amount.

Nor does each dollar from Washington mean one dollar less that the states themselves will have to find. Virtually all of the 100 or so federal education programs contain "maintenance of effort" provisions. That means that if states start cutting back on their education budgets in anticipation of a windfall from Washington, they will lose a proportionate share of their federal aid.

A third force that could push up education costs even fur-

ther is the private schools, whose spokesmen have long been arguing for a share of public education money. About 10 percent (or 5 million) of all U.S. school children are in private, mostly religious schools, and during the last several years, private school administrators have been pressing for direct public support either through tax credits or "pick-your-own-school" voucher plans. Tax credit legislation nearly passed Congress last year and is on the agenda again. A voucher initiative will probably be on the ballot in California next spring. Albert Shanker, president of the American Federation of Teachers, has predicted that stopping such measures will become "the fight of the century" for public-school teachers.

Public school lobbyists fear that letting private schools tap into state and local treasuries, even indirectly, will diminish funds for the public schools. There is also the thorny constitutional issue of the separation of church and state. Lastly, many educators argue, vouchers and similar measures would encourage divisiveness—religious, racial, economic—and undercut the "unifying" aspects of public education. And well they might.

But the fact is that on this issue as on so many others, there is room for honest disagreement. Cooperation and consensus come hard in education because school issues touch both the deepest feelings and highest aspirations of our society. And its financing and governance involve the most basic questions in democratic politics: Who pays? Who benefits? Who controls?

American federalism, it has been written, is a marble cake, not a layer cake—a swirl of contending influences, not a neatly stacked hierarchy of federal, state, and local powers. The politics of education is the ultimate example.

